

# City of San Antonio Catalog of Incentives

**Incentive Title:**

Reduction or Waiver of License Fees For Use of Public Right of Way

**Incentive Type:**

- ☒ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

**Description:**

City Council has established fees for each non-pipeline use of Public Right of Way at the greater of five thousand dollars (\$5,000.00), or ten percent (10%) per year of the average of Bexar County Appraisal District assessed values in the vicinity for surface rights, seven and one-half percent (7.5%) per year of the average of Bexar County Appraisal District assessed values in the vicinity for air rights or five percent (5%) per year of the average of Bexar County Appraisal District assessed values in the vicinity for sub-surface rights. Staff is authorized to negotiate the license fee for any pipeline in Public Right of Way. Applicant must submit a petition, including a non-refundable processing fee of \$500.00, for a license to use Public Right of Way and be recommended for approval by staff.

**Eligibility Criteria:**

Staff may recommend to City Council the reduction or waiver of the license fee if the petitioner requests to 1) use sub-surface space under a Public Right of Way for an existing basement or utility vault; 2) make improvements specifically beneficial to the public; or 3) preserve, protect, or enhance historically, culturally, architecturally, or archaeologically significant sites or structures, on a case by case basis.

The following incentives are authorized:

- 25% reduction in license fees for Project Scorecard score between 60 and 69.
- 50% reduction in license fees for Project Scorecard score between 70 and 79.
- 75% reduction in license fees for Project Scorecard score between 80 and 89.
- 100% waiver of license fees for Project Scorecard score of 90 or greater.

To receive this incentive, the applicant must apply through the Incentive Scorecard System to receive a Project Score, which may qualify a project to receive this and other fee incentives.

**Contact Information:**

City of San Antonio, Department of Asset Management, Property Disposition Division, (210) 207-6971.

# City of San Antonio Catalog of Incentives

**Incentive Title:**

Reduction or Waiver of Consideration for Closure of Public Right of Way

**Incentive Type:**

- ☒ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

**Description:**

City staff shall calculate a fee (“consideration”) for such closure and Petitioner(s) shall remit payment of the consideration for the closure based on an average of Bexar County Appraisal District assessed values of property in the vicinity of the proposed closure. The average of Bexar County Appraisal District assessed values will be reduced by twenty-five percent (25%) when the Public Right of Way sought to be closed cannot be used independently under Chapter 35 of the City Code of the City of San Antonio, Texas or utility easements are retained. Developer must submit a petition, including a non-refundable processing fee of \$500.00, to close, vacate and abandon Public Right of Way and be recommended for approval by staff.

**Eligibility Criteria:**

Staff may recommend to City Council the reduction or waiver of the consideration for closure if 1) any petitioner originally granted the subject Public Right of Way at no cost, e.g. by dedication through plat or other instrument, to the City; or 2) the calculated consideration for closure does not accurately reflect the value of the Public Right of Way proposed to be closed, vacated and abandoned, on a case by case basis.

The following incentives are authorized:

- Additional 25% reduction in consideration for Project Scorecard score between 60 and 69.
- Additional 50% reduction in consideration for Project Scorecard score between 70 and 79.
- Additional 75% reduction in consideration for Project Scorecard score between 80 and 89.
- 100% waiver of consideration for Project Scorecard score of 90 or greater.

To receive this incentive, the applicant must apply through the Incentive Scorecard System to receive a Project Score, which may qualify a project to receive this and other fee incentives.

**Contact Information:**

City of San Antonio, Department of Asset Management, Property Disposition Division, (210) 207-6971.

# City of San Antonio Catalog of Incentives

## **Incentive Title:**

Reduction of Barricade Permit Fee (R.O.W. Lane and Sidewalk Closure Fee)

## **Incentive Type:**

- ☒ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

## **Description:**

The City of San Antonio charges a fee for the temporary closure of a lane of traffic or a portion of a sidewalk that is in the Public Right of Way for the purposes of construction. The fees are as follows:

Application Fee	\$50.00 (per application & per renewal)
Inspection Fee	\$20.00 (one-time fee)
Per Square Foot Fee	\$0.0525
Technology and Development Fee	6% of total fee

## **Eligibility Criteria:**

Application for Barricade Permit Fee may be made through the City's Department of Public Works. The Police Department may require the presence of a peace officer during such closures. ***All reductions or waivers will be subject to time restrictions determined and imposed by the Department of Public Works.***

The following incentives are authorized for Non-Profit Organizations and For-Profit, Mixed-Use projects within the Central Business District (CBD):

- 25% reduction of Per Square Foot Fee for Project Scorecard score between 60 and 69.
- 50% reduction of Per Square Foot Fee for Project Scorecard score between 70 and 79.
- 75% reduction of Per Square Foot Fee for Project Scorecard score between 80 and 89.
- 100% waiver of Per Square Foot Fee for Project Scorecard score of 90 or greater.

The following incentives are authorized for All other For-Profit Businesses/Corporations:

- 25% reduction of Per Square Foot Fee for Project Scorecard score between 60 and 79.
- 50% reduction of Per Square Foot Fee for Project Scorecard score of 80 or greater.

The following incentives are authorized for Public Improvement Projects within the CBD:

- 100% waiver of Per Square Foot Fee for Project Scorecard score of 60 or greater (only on fees associated with the public improvement portion of the project).

To receive this incentive, the applicant must apply through the Incentive Scorecard System to receive a Project Score, which may qualify a project to receive this and other fee incentives. **The waiver of fees is only valid for the period of time in the approved permit schedule. The developer will be subject to paying the appropriate fees for each day thereafter.**

## **Contact Information:**

City of San Antonio, Department of Public Works, (210) 207-7755.

## City of San Antonio Catalog of Incentives

### **Incentive Title:**

Reduction or Waiver of Temporary Street Closure Fee

### **Incentive Type:**

- ☒ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

### **Description:**

The City of San Antonio charges a fee of \$75.00 per block, per day for Temporary Street Closure that would include barricading all lanes of traffic of a street. Such temporary closures are granted for events such as parades, block parties, fiestas, etc.

### **Eligibility Criteria:**

Application for Temporary Street Closure Fee may be made through the City's Department of Public Works. The Police Department may require the presence of a peace officer during such closures. *All reductions or waivers will be subject to time restrictions determined and imposed by the Department of Public Works.*

The following incentives are authorized for Non-Profit Organizations and For-Profit, Mixed-Use projects within the Central Business District (CBD):

- 25% reduction of Temp. Street Closure Fee for Project Scorecard score between 60 and 69.
- 50% reduction of Temp. Street Closure Fee for Project Scorecard score between 70 and 79.
- 75% reduction of Temp. Street Closure Fee for Project Scorecard score between 80 and 89.
- 100% waiver of Temp. Street Closure Fee for Project Scorecard score of 90 or greater.

The following incentives are authorized for All other For-Profit Businesses/Corporations:

- 25% reduction of Temp. Street Closure Fee for Project Scorecard score between 60 and 79.
- 50% reduction of Temp. Street Closure Foot Fee for Project Scorecard score of 80 or greater.

The following incentives are authorized for Public Improvement Projects within the CBD:

- 100% waiver of Temp Street Closure Fee for Project Scorecard score of 60 or greater (only on fees associated with the public improvement portion of the project).

To receive this incentive, the applicant must apply through the Incentive Scorecard System to receive a Project Score, which may qualify a project to receive this and other fee incentives. **The waiver of fees is only valid for the period of time in the approved permit schedule. The developer will be subject to paying the appropriate fees for each day thereafter.**

### **Contact Information:**

City of San Antonio, Department of Public Works, (210) 207-7755.

# City of San Antonio Catalog of Incentives

**Incentive Title:**

Waiver of Plan Review and Building Permit Fees

**Incentive Type:**

- ☒ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

**Description:**

The Department of Development Services will waive 100% of the building plan review and building permit fees.

**Eligibility Criteria:**

To receive this incentive, the applicant must apply through the Incentive Scorecard System to receive a Project Score, which may qualify a project to receive this and other fee incentives. Applicant's project must show a score of:

- 60 points or greater for Public Improvement Projects within the CBD
- 70 points or greater for Infill Affordable Housing; Cap \$800.00 per eligible unit
- 70 points or greater for Affordable Housing; Cap \$800.00 per eligible unit
- 80 points or greater for Commercial or Mixed-use Development within ¼ mile of an NCR District; Cap \$15,000 per project
- 80 points or greater on for-profit, Mixed-use projects within the CBD

After Applicant's Incentive Agreement is approved, it is entitled to receive a 100% waiver of Building Plan Review and Building Permit fees. Application should submit its Commercial Building Permit Application or Residential Building Permit Application to the City's Development Services Department.

**Contact Information:**

Development Incentive Application and Project Scorecard:

City of San Antonio, Economic Development Department (210) 207-8204

Application for Plan Review by Appointment:

City of San Antonio, Development Services Department, (210) 207-8394

Additional information regarding the City of San Antonio's Development Process:

[www.sanantonio.gov/dsd](http://www.sanantonio.gov/dsd)

Assistance to determine if within ¼ mile of an NCR District:

City of San Antonio, Neighborhood Action Department, (210) 207-6979

## City of San Antonio Catalog of Incentives

### **Incentive Title:**

Waiver of Preliminary Plan Review Fees

### **Incentive Type:**

- ☒ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

### **Description:**

The Department of Development Services is available to meet with developers to provide a preliminary review of their proposed plans and provide insight on continuing design, possible inconsistencies, and make suggestions on methods to possibly streamline review and approval of plans. The established fee for such meetings is \$75.00 per hour for each plan reviewer required to attend the meeting.

### **Eligibility Criteria:**

To receive this incentive, the applicant must apply through the Incentive Scorecard System to receive a Project Score, which may qualify a project to receive this and other fee incentives. Applicant's project must show a score of 60 or greater.

After Applicant's Incentive Agreement is approved, it is entitled to receive a 100% waiver of fees associated with its Application for Preliminary Plan Review. Applicant should submit its Application for Preliminary Plan Review to the City's Development Services Department. The City of San Antonio is offering 100% waiver of these fees in an effort to promote the efficient development of projects that qualify for incentives.

### **Contact Information:**

Development Incentive Application and Project Scorecard:

City of San Antonio, Economic Development Department (210) 207- 8204

Application for Preliminary Plan Review:

City of San Antonio, Development Services Department, (210) 207-8394

Additional information regarding the City of San Antonio's Development Process:

[www.sanantonio.gov/dsd](http://www.sanantonio.gov/dsd)

## City of San Antonio Catalog of Incentives

### **Incentive Title:**

Waiver of Plan Review by Appointment Fees

### **Incentive Type:**

- ☒ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

### **Description:**

The Department of Development Services is available to meet with developers to review proposed plans by appointment to provide insight on plan review requirements and plan hold comments in order to expedite the review and approval of plans. The established fee for such meetings is \$75.00 per hour for each plan reviewer's time to review the plans on an expedited basis and to attend the meeting, plus a \$200 processing fee per appointment.

### **Eligibility Criteria:**

To receive this incentive, the applicant must apply through the Incentive Scorecard System to receive a Project Score, which may qualify a project to receive this and other fee incentives. Applicant's project must show a score of 60 or greater. Scope of project must be one of the following:

<b>Occupancy Type</b>	<b>Description</b>
Assembly Group A-3	Assembly Occupancy Group A-3 includes buildings for worship, recreation, or amusement such as: amusement arcades, art galleries, auditoriums, bowling alleys, churches, community halls, courtrooms, dance halls, exhibition halls, funeral parlors, gymnasiums, indoor swimming pools, indoor tennis courts, lecture halls, libraries, museums, passenger waiting areas, and pool and billiard parlors
Business Group B	Business Group B occupancy includes, among others, the use of a building or structure, or a portion thereof, for office, professional or service-type transactions, including storage of records and accounts such as: airport traffic control towers, animal hospitals, kennels and pounds, banks, barber and beauty shops, car wash, civic administration, clinic (outpatient); dry cleaning and laundries (pick up and delivery stations and self service), educational occupancies above the 12 <sup>th</sup> grade; electronic data processing, fire and police stations, laboratories (testing and research); motor vehicle showrooms, post offices, print shops, professional services (architects, attorneys, dentists, physicians, engineers, etc.), radio and television stations and telephone exchanges.

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Education Group E	Education Group E occupancy includes, among others, the use of a building or structure, or a portion thereof, by six or more persons at any time for educational purposes through the 12 <sup>th</sup> grade. This occupancy group includes the education, supervision, or personal care services for more than five children older than 2 ½.
Mercantile Group M	Mercantile Group M occupancies includes, among others, buildings and structures or a portion thereof, for the display and sale of merchandise, and involves stocks of goods, wares or merchandise incidental to such purposes and accessible to the public such as: department stores, drug stores, markets, motor vehicle service stations, retail or wholesale stores, sales rooms.
Storage Group S	Storage group S occupancy includes among others, the use of a building or structure, or a portion thereof, for storage that is not classified as hazardous occupancy as defined in the International Building Coded.

After Applicant's Incentive Agreement is approved, it is entitled to receive 100% waiver of Plan Review by Appointment fees. The City of San Antonio is offering 100% waiver of these fees in an effort to promote the efficient development of projects that qualify for incentives.

### **Contact Information:**

Development Incentive Application and Project Scorecard:

City of San Antonio, Economic Development Department (210) 207- 8204

Application for Plan Review by Appointment:

City of San Antonio, Development Services Department, (210) 207-8394

Additional information regarding the City of San Antonio's Development Process:

[www.sanantonio.gov/dsd](http://www.sanantonio.gov/dsd)



## City of San Antonio Catalog of Incentives

### **Incentive Title:**

Rebate or Waiver of Water and Sewer Impact Fees

### **Incentive Type:**

- ☒ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

### **Description:**

The Water and Sewer Impact Fees are one-time fees imposed by the San Antonio Water System on new development to help recover capital costs associated with providing the infrastructure and other required improvements to provide service to that new development.

On May 29, 2003, the City Council passed Ordinance No. 97716, which approved the Development Incentive Toolkit (now named the Incentive Scorecard System) and provided for the City Manager or her designee to administratively approve the reduction or waiver of specific fees.

Accordingly, on June 24, 2004, City Council passed Ordinance No. 99383, which amended the City's Affordable Housing Incentive Program by approving revisions to the water and sewer impact fee waiver policy and revising Ordinance No. 81974 to reflect said changes.

Ordinance No. 99383 became effective July 4, 2004. The following are the details of the program:

- The geographic criteria for affordable housing includes the area within Loop 410, the area within Loop 1604 that is north of Highway 90, and the Southside Initiative area.
- The geographic criteria for market rate housing includes the area inside the Central Business District (CBD), the area within Loop 410 that is south of Highway 90, and the Southside Initiative area. For purposes of the Incentive Toolkit, the term, "market rate housing" shall mean housing units with a sales price above the affordable housing limit approved by City Council, currently \$110,000.
- Projects located over the Edwards Aquifer Recharge Zone, the Edwards Aquifer Contributing Zone and the Contributing Zone within the Transition Zone are not eligible for an impact fee waiver.

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- The maximum annual (fiscal year, October 1 – September 31) total program benefit shall be capped at \$1 million. The maximum benefit per project shall be capped at \$100,000. For purposes of the Incentive Toolkit, the term “project” shall mean a single platted development geographically and economically tied to a specific site, a subdivision, a multi-family apartment project, or a large mixed-use commercial and residential phased project.
- Incentives shall be limited to site-built residential construction (i.e. traditional permanent foundation residential construction). Modular homes and mobile home construction are not eligible for award of incentives. In mixed-use projects, waivers or rebates shall be limited to the portion of impact fee associated with the residential component of the project.

Except for for-profit, affordable projects currently under construction and previously eligible for a rebate of water and/or sewer impact fees under Ordinance No. 81974, no project for which payment has been made prior to the effective date of Ordinance No. 99383 to SAWS for water and/or sewer impact fees shall be eligible for rebates or additional waivers of water and/or sewer impact fees.

For an applicant to receive a waiver or rebate they must achieve the appropriate thresholds and be within the applicable geographic boundaries of the policy.

Applicants meeting the scoring and geographic criteria will enter into an Incentive Agreement with the City, through the Economic Development Department, that clearly delineates the City’s expectations of the applicant for the benefit received. Further, enforcement provisions will be included in the Agreement to ensure compliance on the part of the City and applicant; that the City will provide the waiver/rebate and the applicant will provide the promised housing.

### **Eligibility Criteria:**

For a Market Rate Housing project to receive consideration it must meet the following criteria:

1. Applicant must complete the on-line Incentive Scorecard Application.
2. The point threshold for award is 60 points
3. If the application receives the applicable score for waiver the applicant is required to obtain a Confirmation of Cost Quotation from SAWS and present it to the Incentive Advisor for further consideration.
4. City Staff then drafts an Incentive Agreement, a binding contract, clearly delineating the expected performance of the applicant and the corresponding waiver incentive.
5. SAWS acts upon the Incentive Agreement and grants the waiver identified by City Staff.

## **City of San Antonio Catalog of Incentives**

6. Applicant receives the waiver from SAWS.

For an Affordable Housing project to receive consideration it must meet the following criteria:

1. Applicant must complete the on-line Incentive Scorecard Application.
2. If the application receives the required 60-point score for rebate, the applicant is required to submit a copy of the HUD 202 Closing Statement, which specifies the affordable sales price of the home, along with a SAWS receipt for the amount of water and sewer impact fees paid.
3. Applicant must complete a *Verification of Income* form for each unit sold documenting that the income of the homebuyer meets allowable affordable income limits.
4. City Staff then drafts an Incentive Agreement, a binding contract, clearly delineating the expected performance of the applicant and the corresponding rebate incentive.
5. SAWS acts upon the Incentive Agreement and grants the rebate identified by City Staff.
6. Applicant receives the rebate from SAWS.

### **Contact Information:**

City of San Antonio, Department of Economic Development, (210) 207-8204 or (210) 207-8080.

## City of San Antonio Catalog of Incentives

### **Incentive Title:**

Rebate of CPS Energy Line Conversion Fees

### **Incentive Type:**

- ☒ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

### **Description:**

CPS Energy Line Extension and Service Installation Fees (hereinafter referred to as “Extension Fees”) are one-time fees imposed by CPS Energy on new development to recover costs associated with extending distribution facilities (to include underground related transformer, service installations and extensions) in order to serve new growth. The fee recoups a portion of the cost to extend lines and install service to new customers.

On May 29, 2003, the City Council passed Ordinance No. 97716, which approved the Development Incentive Toolkit (now named the Incentive Scorecard System) and provided for the City Manager or her designee to administratively approve the reduction or waiver of specific fees.

On December 15, 2005, the City Council passed Ordinance No. 101819, which authorized revisions to the CPS Energy Electric Line Extension Policy (Extension Policy) increasing associated fees in order for CPS Energy to more closely recover the actual extension and service installation costs. As approved, Ordinance No. 101819 included a provision to assess affordable housing at the rate structure in effect on December 31, 2005, i.e., at the old rate level.

Ordinance No. 101819 became effective January 1, 2006.

This incentive rebate will facilitate aesthetically pleasing underground utilities for affordable housing units, by offsetting a portion of the cost difference between Overhead and Underground facilities. This rebate is applicable towards (1). Main Line Extension costs, (2) Transformer cost and (3) Service costs.

Accordingly, this incentive has been integrated into the Incentive Scorecard System to provide a rebate for those Extension Fees which are paid in excess of those Extension Fees in place on December 31, 2005. The following are the details of the program:

- The geographic criterion for affordable housing includes that area within the City Limits of the City of San Antonio.
- Projects located over the Edwards Aquifer Recharge Zone, the Edwards Aquifer Contributing Zone and the Contributing Zone within the Edwards Aquifer Transitional Zone are not eligible for an Extension Fee rebate.

## **City of San Antonio Catalog of Incentives**

- The maximum number of rebates is limited to 500 (five hundred) single-family units per annum and is subject to availability on a first come basis.
- Rebate incentives shall be limited to site-built residential construction (i.e. traditional permanent foundation residential construction). Modular home, manufactured home and mobile home construction are not eligible for award of rebates. In the case of mixed use projects, the rebate will apply only to the affordable residential component and be proportionally assessed.

This incentive rebate will only apply to units constructed after January 1, 2006.

For an applicant to receive a rebate they must meet the criteria above and meet the ISS scoring criteria.

Applicants meeting the geographic and scoring criteria will enter into an Incentive Agreement with the City, through the Economic Development Department, that clearly delineates the City's expectations of the applicant for the benefit received. Further, audit and enforcement provisions will be included in the Agreement to ensure compliance on the part of the City and Applicant.

### **Eligibility Criteria:**

For an affordable housing project to qualify for a rebate it must meet the following criteria:

1. Applicant must complete the on-line Incentive Scorecard Application.
2. If the applicant receives an acceptable score the applicant is then eligible, upon completion of the housing project and submission of required supporting documentation, to subsequently receive a rebate. The point threshold for award of rebate is 60 points
3. If the application receives the required 60-point score for rebate, the applicant is required to submit the following:
  - a. A copy of the HUD 202 Closing Statement as verification that the house sold at or below the affordable sales price of \$110,000
  - b. A completed *Verification of Income* form for each unit sold documenting that the income of the homebuyer meets allowable affordable income limits.
  - c. A copy of the paid receipt for the CPS Energy Extension Fees

## **City of San Antonio Catalog of Incentives**

City Staff then drafts an Incentive Agreement, a binding contract, clearly delineating the expected performance of the applicant and the corresponding rebate incentive.

4. Applicant then provides a copy of the executed Incentive Agreement to CPS Energy to receive the rebate on the subject property.
5. Applicant receives rebate from CPS Energy.

### **Contact Information:**

City of San Antonio, Department of Economic Development, (210) 207-8204 or (210) 207-8080.

## City of San Antonio Catalog of Incentives

### **Incentive Title:**

Federal Empowerment Zone Tax Incentive Loans

### **Incentive Type:**

- ☐ Fee Incentives
- ☒ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

### **Description:**

San Antonio was one of seven cities throughout the country named a Round III Empowerment Zone by the U.S. Department of Housing and Urban Development. This designation will allow businesses to receive wage credits, tax incentives, and bond financing to help stimulate job growth, promote economic development and create affordable housing opportunities in targeted areas of the City. In addition, Empowerment Zone designation provides the City priority in funding health, education, and human services, which will support commercial and neighborhood revitalization efforts.

The basic designated area of the San Antonio Empowerment Zone is bordered by Salado Creek on the East, Mitchell Street on the South, San Joaquin on the West and Culebra Road (Josephine Street) on the North. It also includes three primary Developable Sites which are: (1) the KellyUSA and Brooks Technology and Business Park Developable Site located in the southern sector of San Antonio connected by Military Drive commercial corridor; (2) the Fredericksburg Road Commercial Corridor; and (3) the I-10/I-35 Commercial and Industrial Corridor (map on p. 21).

### **Program Eligibility Criteria:**

To be eligible for Empowerment Zone program benefits, such as Tax Incentive Loans, a business must locate in an Empowerment Zone and meet certain minimum capital investment and/or job creation requirements. The property financed by the loan must be a "qualified zone property" loan. In addition, 35% of employees must be live within the Empowerment Zone.

### **Contact Information:**

City of San Antonio, Economic Development Department, (210) 207-8031.





## City of San Antonio Catalog of Incentives

### **Incentive Title:**

State Enterprise Zone Program Tax-Exempt Bond Financing

### **Incentive Type:**

- ☐ Fee Incentives
- ☒ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

### **Description**

Tax-exempt Enterprise Zone Facility bonds generally have a lower interest rate than conventional financing. To qualify, 95% or more of the net proceeds of the bond issue must be used to finance qualified zone property where the principal user is an EZ business. Maximum bond financing is \$3 million per business across zones, subject to State volume caps. Allows for below market financing to promote facility development or multi-family affordable rental housing.

### **Eligibility Criteria:**

To qualify, expansion of an existing business must take place within an existing Enterprise Zone (map on p. 23). Also, 25% of all new hires must be economically disadvantaged or residents of the zone. Project designation must be in place within 90 days of any purchases or new hires to receive benefits from this program. Enterprise Project designation must be approved by City Council and designated by the State of Texas. Federal Empowerment Zones also qualify as State Enterprise Zones.

### **Contact Information:**

City of San Antonio, Economic Development Department, (210) 207-8080.

## **City of San Antonio Catalog of Incentives**

### **Incentive Title:**

Brownfield Economic Development Initiatives (BEDI)

### **Incentive Type:**

- ☐ Fee Incentives
- ☒ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

### **Description:**

BEDI grants target Economic Development Initiative funds, made available from the HUD Financial Management Division, to Brownfield projects. BEDI grants are made to local governments for use in supporting Brownfield redevelopment activities and projects financed in whole or in part with Section 108 Loan Guarantees. Brownfield cleanup and redevelopment, BEDI provides important "start-up" funds to attract private financing.

### **Eligibility Criteria:**

BEDI primarily benefits low-income residents in and around Brownfields. Under guidelines for the programs comprising BEDI, grantees must use at least 70 percent of funds for activities in which either the majority of the individuals who benefit or the majority of the residents of the neighborhood that benefit be low or moderate income.

### **Contact Information:**

HUD Financial Management Division, Office of Block Grant Assistance, (202) 708-3484.

## **City of San Antonio Catalog of Incentives**

### **Incentive Title:**

Brownfields Petroleum Assessment Grant

### **Incentive Type:**

- ☐ Fee Incentive
- ☒ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

### **Description:**

The City of San Antonio was awarded a Brownfields Petroleum Assessment Grant from the U.S. Environmental Protection Agency. The grant (\$200,000) enables the City to provide funding for eligible projects to obtain environmental site assessments to encourage the redevelopment of abandoned, vacant, or underutilized gasoline filling stations, or other properties with underground petroleum storage tanks. The purpose of the grant is to provide environmental assessments which will serve as a catalyst to encourage the community and stakeholders, such as property owners, neighborhood groups, investors, lenders, and developers, in economic redevelopment efforts to prevent, assess, safely cleanup, and sustainably reuse brownfields.

### **Eligibility Criteria:**

To be eligible for assistance, the petroleum-contaminated site must be a relatively “low-risk” site; and for which there is no viable responsible party; and which will be assessed, investigated, or cleaned up by a person that is not potentially liable for cleaning up the site.

### **Contact Information:**

Development Incentive Application and Project Scorecard:

City of San Antonio, Economic Development Department (210) 207- 8204

Site Eligibility and Grant Management:

City of San Antonio, Neighborhood Action Department (210) 207-6979

## City of San Antonio Catalog of Incentives

### **Incentive Title:**

Tax Increment Financing (TIF) and Tax Increment Reinvestment Zone (TIRZ)

### **Incentive Type:**

- ☐ Fee Incentives
- ☒ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

### **Description:**

The City of San Antonio is dedicated to the revitalization of inner-city neighborhoods and commercial districts, particularly in those areas located inside Loop 410 and south of Highway 90, by using a tiered system of incentive tools, such as Tax Increment Financing (TIF). A TIF project should act as an economic stimulus to the surrounding areas. By leveraging private investment for certain types of development within a targeted area, TIF can be a tool used to assist in financing needed public improvements and enhancing infrastructure. An Application for Redevelopment will be made available in order to consider a suitable incentive package comprised of one or more incentive tools of which TIF may be included for a proposed revitalization project.

### **Program Eligibility Criteria:**

Eligible types of development:

- Type A: Residential development projects. For either single-family and/or multi-family residential uses.
- Type B: Business parks for Targeted Industries. New construction or renovation of offices with at least 50% of space pre-leased.
- Type C: Office development. New construction or renovation of offices with at least 50% of office space pre-leased.
- Type D: Retail/Commercial development. New construction or renovation of offices with at least 50% of space pre-leased.

A staff review committee will evaluate each proposed project on a case-by-case basis, including targeted areas and consideration of possible impacts. If applicable, a staff review committee will then evaluate each application submitted by a prospective developer.

No projects will be considered or accepted for a TIF where all or part of the proposed project falls over the Edwards Aquifer Recharge Zone.

### **Contact Information:**

City of San Antonio, Neighborhood Action Department, (210) 207-3911.

## **City of San Antonio Catalog of Incentives**

### **Incentive Title:**

Industrial Development Authority (IDA) Bonds

### **Incentive Type:**

- ☐ Fee Incentives
- ☒ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

### **Description:**

Industrial Development Bonds are available through the City of San Antonio Industrial Development Authority (IDA) to promote industrial development. IDA bonds are tax-exempt revenue bonds that can be issued for new construction, building improvements, and for purchase of machinery and equipment. Bonds carry an attractive interest rate of 60% to 80% of the prime rate.

Also available through the IDA are taxable industrial development bonds. Taxable bonds have fewer project limitations than do tax-exempt bonds, and can be used for larger dollar projects. Interest rates will be in line with conventional financing and will vary, as in any financing, in accordance with the current markets, financial strength and term of bonds.

### **Eligibility Criteria:**

Bonds are available for industrial and manufacturing facilities located within the City of San Antonio and its Extra Territorial Jurisdiction (ETJ). Bonds are available for projects with total costs of up to \$10 million. Bonds are subject to an annual state allocation.

### **Contact Information:**

City of San Antonio, Economic Development Department, (210) 207-8080.

## City of San Antonio Catalog of Incentives

### **Incentive Title:**

Neighborhood Commercial Revitalization (NCR) Program

### **Incentive Type:**

- ☐ Fee Incentives
- ☒ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

### **Description:**

The Neighborhood Commercial Revitalization (NCR) Program offers community-based nonprofit organizations, who can demonstrate the capacity to organize and sustain a full time economic development program, financial support to conduct revitalization efforts in a targeted commercial district. Organizations and designated commercial districts selected as Revitalization Projects have received \$370,000 in funding over a six-year period to develop and implement a commercial revitalization plan. Funding for Revitalization Projects allows organizations to hire a full-time, professional Revitalization Coordinator to facilitate the work of a Board of Directors and volunteers. The Revitalization Coordinator offices in the commercial district and funding also provides for office space, printing and publications, supplies and other approved items.

The volunteers, board and staff of the Revitalization Projects offer the following types of support to the businesses located in the NCR area:

- Promotion and marketing for the entire business district
- Assistance to existing and prospective business owners in areas such as zoning, code compliance, police protection and promotes
- A central resource for information about Enterprise Community/ Strategic Planning Community incentives, Texas Enterprise Zone Program incentives, San Antonio Local Development Company loans, tax phase-in and tax increment financing assistance, and other incentives, as appropriate
- Working with City leaders to identify and fund infrastructure improvements (such as drainage, streets, sidewalks, curbs, etc.) necessary to support and sustain increased growth and expansion

In addition to technical assistance businesses located in a Revitalization Project area are eligible for Operation Facelift grants. Operation Facelift is a tool to assist small businesses in creating noticeable and significant improvements to their storefronts. Operation Facelift will fund facade improvement projects such as restoring old signs and canopies, repairing broken windows and painting on a reimbursement basis. The total maximum award to any one building is \$15,000 and must be matched dollar for dollar with private investment.

## **City of San Antonio Catalog of Incentives**

### **Eligibility Criteria:**

In order to apply for Revitalization Project grant an organization must first be accepted into the NCR Program as a Partnership Project area. As a Partnership Projects, community groups receive \$5,000 over a three-year period to build the necessary organizational capacity and prepare themselves to launch a full-time revitalization effort. During the Partnership Project phase volunteers may undertake the following activities:

- identify key stakeholders and soliciting participation;
- develop a building inventory;
- set up a Board and working committees;
- identify partners and stakeholder;
- begin to assess the problems of the target area; and
- formulate an approach for stimulating positive change.

### **Contact Information:**

City of San Antonio, Neighborhood Action Department, (210) 207-3926.

## City of San Antonio Catalog of Incentives

### **Incentive Title:**

South Texas Business Fund (STBF) Loan Programs

### **Incentive Type:**

- ☐ Fee Incentives
- ☒ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

### **Description:**

The South Texas Business Fund (formerly known as the San Antonio Local Development Company, Inc.) was established in 1978 to assist small to medium sized businesses in South Central Texas realize business growth and job creation by facilitating access to a diverse package of intermediate and long-term loans for real estate acquisition, construction or capital improvements, machinery and equipment, working capital, and related soft costs such as appraisals, engineering and environmental fees.

STBF loans are also available for small-to-medium sized businesses and carry interest rates below market rates. Long-term financing is available for both loans and bonds. Examples include:

- Small Business Association (SBA) 504 Loan and Microloan Programs
- Economic Development Administration (EDA) Revolving Loan Fund (RLF)
- Inner City Loan Program
- HUD-Enterprise Community Loan Program

### **Eligibility Criteria:**

Owner-operated, for-profit businesses, located or to be located within the Alamo Service Delivery Area (Bexar County and the surrounding 11 counties). STBF loans, with a maximum amount of \$1.3 million, can be made to companies with a net worth of up to \$6 million and net income of up to \$2 million.

### **Contact Information:**

City of San Antonio, Economic Development Department, South Texas Business Fund at (210) 207-3932.



## City of San Antonio Catalog of Incentives

### **Incentive Title:**

Green Building Incentives - Programs and Practices

### **Incentive Type:**

- ☐ Fee Incentive
- ☐ Financing Incentive
- ☒ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

### **Description:**

To be eligible for either Commercial LEED, Residential LEED for Homes or Build San Antonio Green Program points you must be Energy Star rated, and participate in SAWS watersaver landscape (xeriscaping) and watersaver fixtures.

**Commercial Projects:** Adoption by the Builder of one of the following Green Building/Energy Efficiency Guidelines:

- 1.) U.S. Green Building Council LEED™ (Leadership in Energy and Environmental Design)
  - A.) Platinum, Gold or Silver Certification
  - B.) Basic Certified Level

**Residential Projects:** Adoption by the builder of one of the following Green Building/Energy Efficiency Guidelines:

- 1.) LEED for Homes - Any certification
- 2.) Build San Antonio Green – Applicant must register through the Metropolitan Partnership for Energy (MPE)

To qualify for this incentive, an affidavit, signed by the builder and/or a developer asserting that certification will be pursued, should be submitted. Upon completion of the project, a copy of official certificate(s) are to be submitted to verify compliance.

# City of San Antonio Catalog of Incentives

## Points of Interest:

- **Site Development** includes decisions to locate near amenities and transit, obtain maximum solar and shade benefits and minimizing land disturbance and erosion.
- **Materials** are valued for durability, local origins, reusability and least environmental impact during manufacturing.
- **Water** conservation is employed indoors and out with measures ranging from low flow showerheads and water-saving washers to xeriscaping and rainwater catchment.
- **Energy** efficiency is achieved through measures such as passive solar design, insulation, efficient appliances, lighting, heating and cooling, and renewable energy.
- **Health** is enhanced from proper ventilation, reduced particulate matter and minimal to no toxic compounds in items like paint, adhesives, pest control and floor coverings.

## Eligibility Criteria:

- For residential developments including low-rise multi-family: Developers must place a deed restriction on their land so that all homes built must be certified through LEED™ or Build San Antonio Green and/or the multi-family project(s) must achieve a Build San Antonio Green certification.
- For commercial developments or high-rise residential: Developers must agree that project will pursue LEED™ Certification.
- For mixed-use development: A minimum of 80% of the projects must be certified to qualify.

## Contact Information:

Additional information on residential or commercial LEED projects can be found at [www.usgbc.com](http://www.usgbc.com) and information on Build San Antonio Green can be found at [www.buildsagreen.org](http://www.buildsagreen.org).

City of San Antonio, Department of Economic Development, (210) 207-8204 or (210) 207-8080 or Metropolitan Partnership for Energy (MPE) at (210) 224-7278.

## City of San Antonio Catalog of Incentives

### **Incentive Title:**

Conservation Subdivision

### **Incentive Type:**

- ☐ Fee Incentives
- ☐ Financing Incentive
- ☒ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

### **Description:**

A Conservation Subdivision provides flexibility in site design in order to allow developers to preserve common open space and natural resources. The specific purposes of the conservation subdivision use pattern are to:

- protect the public health, safety and general welfare by avoiding surface and ground water pollution, contaminated runoff, air quality contamination, and urban heat islands which result from pavement and the clearing of natural vegetation;
- protect and preserve natural resources such as wetlands, streams, lakes, steep slopes, woodlands, and water recharge areas;
- reduce infrastructure and housing costs by reducing the engineering and construction costs produced by conventional subdivision design, which requires more pavement, wetland crossings, grading of trees and natural areas, and maintenance from lawn and landscaping maintenance;
- protect property values by allowing open space design features which enhance the marketability of development;
- provide design flexibility; and
- promote development on soils which are most suitable for urban densities, while preserving soils that are primarily adaptable to other uses such as woodlands, wildlife habitat, and agricultural uses.

### **Eligibility Criteria:**

A Conservation Subdivision shall be processed in accordance with Chapter 2, 35-203, of the Unified Development Code and may be permitted in any Zoning District except “D”, “I-1”, “I-2”, “MXD”, or “IDZ”.

### **Contact Information:**

City of San Antonio, Development Services Department, (210) 207-0170.

## City of San Antonio Catalog of Incentives

### **Incentive Title:**

Commercial Retrofit

### **Incentive Type:**

- ☐ Fee Incentives
- ☐ Financing Incentive
- ☒ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

### **Description:**

The Commercial Retrofit Use Pattern encourages the redevelopment of existing shopping centers, big-box retail sites, and other sites characterized by large expanses of surface parking into a development pattern which is pedestrian friendly, compatible with surrounding development, provides a visually attractive site design, and which reduces reliance on the automobile for vehicular trips.

### **Eligibility Criteria:**

A Commercial Retrofit Use Pattern may be established in any commercial or “IDZ” zoning district and shall be processed in accordance with Chapter 2, 35-206, of the Unified Development Code (UDC). In addition, a density bonus may be permitted to encourage such activities pursuant to § 35-360 of the UDC.

### **Contact Information:**

City of San Antonio, Development Services Department, (210) 207-0170.

## City of San Antonio Catalog of Incentives

### **Incentive Title:**

Traditional Neighborhood Development (TND)

### **Incentive Type:**

- ☐ Fee Incentives
- ☐ Financing Incentive
- ☒ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

### **Description:**

The Traditional Neighborhood Development (TND) option is designed to permit the development of land in a manner consistent with the historic and timeless principles of San Antonio's existing neighborhoods. A TND combines a variety of housing types with commercial and civic uses in a compact, walkable neighborhood setting. TNDs feature a highly interconnected street network and setbacks appropriate to create a public realm built on a human scale. A TND should be developed such that the street network recognizes and complements a site's topography and other natural features. A TND may not be appropriate where severe environmental constraints, such as steep slopes, wetlands, or streams preclude street interconnections and high impervious surface coverage (such as in the Edwards Recharge Zone District, "ERZD").

### **Eligibility Criteria:**

A Traditional Neighborhood Development (TND) shall be processed in accordance with Chapter 2, 35-207, of the Unified Development Code (UDC) and may be approved in any of the following zoning districts: "MXD", "O-1", "C-1", "C-2", "C-3", "NC", "MF-25", "MF-33", "MF-40", "MF-50", RM-4, RM-5, RM-6, "R-4", "R-5", "R-6", "UD", "RD" and with some limitations within "FR" zoning districts..

### **Contact Information:**

City of San Antonio, Development Services Department, (210) 207-0170.

## City of San Antonio Catalog of Incentives

### **Incentive Title:**

Transit-Oriented Development

### **Incentive Type:**

- ☐ Fee Incentives
- ☐ Financing Incentive
- ☒ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

### **Description:**

The Transit-Oriented Development zone encourages a mixture of residential, commercial, and employment opportunities within identified light rail station areas or other high capacity transit areas. The Use Pattern is intended to encourage a mixture of residential, commercial, and employment opportunities within transit corridors or areas served by transit. This district is intended to promote transit supportive development, ensure access to transit, and to limit conflicts between vehicles and pedestrians and transit operations. The zone allows for a more intense and efficient use of land at increased densities for the mutual re-enforcement of public investments and private development. Uses and development are regulated to create a more intense built-up environment, oriented to pedestrians, to provide a density and intensity that is transit supportive. The development standards of the zone also are designed to encourage a safe and pleasant pedestrian environment near transit stations by encouraging an intensive area of shops and activities, by encouraging amenities such as benches, kiosks, and outdoor cafes, and by limiting conflicts between vehicles and pedestrians. It is the intent of this Section that a TOD district be restricted to areas within one-half (½) of a mile of a transit station, which area is equivalent to a 10-minute walking distance.

### **Eligibility Criteria:**

A Transit-Oriented Development shall occur in a transit overlay zoning district “TOD” and shall be processed in accordance with Chapter 2, 35-208, of the Unified Development Code (UDC).

### **Contact Information:**

City of San Antonio, Development Services Department, (210) 207-0170.

## City of San Antonio Catalog of Incentives

### **Incentive Title:**

Mixed-Use District

### **Incentive Type:**

- ☐ Fee Incentives
- ☐ Financing Incentive
- ☒ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

### **Description:**

Special Districts address unique situations. However, unlike Overlay Districts, Special Districts replace the standards and requirements of the Base Districts. In effect, they are a parallel Code and an alternative to proceeding under conventional zoning.

Mixed-Use Districts “MXD” are special districts designed to provide concentrated residential, retail, service, office and mixed uses. This district does not regulate land uses but, instead, permits any use to be established subject to design standards established in the Use Patterns (Article 2). Urban design standards are required in order maintain a neighborhood commercial scale, to promote pedestrian activity, and to maintain the unique character of the center. Pedestrian circulation is required as are common parking areas.

### **Eligibility Criteria:**

An “MXD” District may be designated in accordance with Chapter 3, 35-341, of the Unified Development Code (UDC) for areas with 1) an existing mix of retail, office, service and residential uses located within a radius of one-quarter (¼) of a mile; or 2) on a tract or parcel for which a TND Use Pattern is proposed.

### **Contact Information:**

City of San Antonio, Development Services Department, (210) 207-0170.

## City of San Antonio Catalog of Incentives

### **Incentive Title:**

Infill Development Zone (IDZ)

### **Incentive Type:**

- ☐ Fee Incentives
- ☐ Financing Incentive
- ☒ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

### **Description:**

Special Districts address unique situations. However, unlike Overlay Districts, Special Districts replace the standards and requirements of the Base Districts. In effect, they are a parallel Code and an alternative to proceeding under conventional zoning.

Infill Development Zones “IDZ” are special districts designed to provide flexible standards for the development and reuse of underutilized parcels. Urban design standards are required in order maintain a neighborhood commercial scale, to promote pedestrian activity, and to maintain the unique character of the center. Pedestrian circulation is required as are common parking areas. Any use may be permitted within an “IDZ” so long as it complies with the standards outlined in the UDC.

The purpose of this section is to encourage and facilitate development on vacant, bypassed lands, or the redevelopment of underutilized buildings or structures, within existing built-up areas. The specific purposes of this section are to:

- provide a more flexible approach to design and development of infill projects;
- use the objectives of Smart Growth as the basis for evaluating proposed infill projects;
- encourage infill development by simplifying procedures for plan approval and public involvement;
- encourage planning and design flexibility and innovations;
- create a community environment that is enhanced by a mix of residential, commercial, recreational, open space, employment and institutional uses;
- assure community compatibility through high standards of land planning, site and architectural design;
- encourage efficient use of land and public services; and
- ensure adequate public facilities and other community amenities by simplifying and streamlining the approval of private development activities in areas with existing public facilities and infrastructure.



## **City of San Antonio Catalog of Incentives**

### **Eligibility Criteria:**

An “MXD” District may be designated in accordance with Chapter 3, 35-343, of the Unified Development Code (UDC). An IDZ may be located within *Community Revitalization Action Group (CRAG)* target area as designated on the effective date of this Chapter, which area generally includes the territory located inside the corporate boundaries of the City as they existed in 1940. An IDZ may also be located in a Census Tract, an area subject to a Neighborhood Plan adopted pursuant to § 35-420 of this Chapter, or other area designated by the City Council pursuant to an ordinance establishing an IDZ zone, in which at least two (2) of the following factors are present:

- A. At least ten percent (10%) of the structures are abandoned; or
- B. At least ten percent (10%) of the platted lots are vacant; or
- C. At least ten percent (10%) of the lots or structures are subject to tax liens.

### **Contact Information:**

City of San Antonio, Development Services Department, (210) 207-0170.

## City of San Antonio Catalog of Incentives

### **Incentive Title:**

Tax Phase-In Program

### **Incentive Type:**

- ☐ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☒ Tax Incentive
- ☐ Workforce Development/Business Advocacy

### **Description:**

The City offers a Tax Abatement of up to 100% on real and/or personal property taxes on improvement values for a maximum term of up to 10 years. Applicants will be required to complete an application and submit an application fee. Individual Tax Abatement applications are subject to final negotiation and approval by City Council.

### **Eligibility Criteria:**

Project must meet certain minimum capital investment and/or job creation requirements:

- ☐ A project may be eligible for a tax abatement if the majority of the company's business at the project location is engaged in a Targeted Industry: aviation/aerospace, biotechnology, creative services, information technology and security, finance, logistics and distribution, telecommunications, agribusiness, high level business services (excludes outbound and contract call centers), manufacturing, corporate and regional headquarters, or Central City multi-family rental only housing or mixed-use project. A company, not in a targeted industry, may still be eligible for an abatement if the project meets the Exceptional Investment Criteria (Level 3). **Retail Facilities serving local end users are not eligible for a tax abatement.**
- ☐ Companies must create at least 25 new full-time jobs and pay a minimum cash wage of \$9.62/hr to 100% of all permanent, full-time employees at the project site throughout the term of the agreement. After one year, 70% of jobs created must also meet a wage standard of \$11.14/hr for Durable Goods Manufacturing and \$10.86/hr for Non-Durable Goods and manufacturing. For small, minority, or women-owned businesses with 100 or fewer employees, the City and County may consider abatements for firms whose wage levels may not meet the Wage Standards.
- ☐ Access to health care benefits for full-time employees and dependents.
- ☐ Individual tax abatement applications are subject to City Council approval and should be submitted at least 30 days prior to the start of construction.
- ☐ Terms of abatement may extend up to 6 or 10 years, depending on the location of the investment (See attached map).

Projects over the Edwards Recharge Zone are not eligible for an abatement

The following matrix outlines the eligibility for the different levels of job creation and capital investment:

## City of San Antonio Catalog of Incentives

CITY/COUNTY GUIDELINES		
Level 1 Project		Threshold Requirements
Real Property Improvements	>\$1 million, <b>OR</b>	<b>Either:</b> Up to 100% on real property improvements (40% County), <b>OR</b> Up to 100% on personal improvements (40% County)
Personal Property Improvements	>\$10 million	
Job Creation	<b>AND 25+ new jobs</b>	
Level 2 Project		Threshold Requirements
Real Property Improvements	Combined \$25 million in either real or personal property improvements	<b>Either:</b> Up to 100% on real property improvements (40% County), <b>AND</b> up to 50% on new personal property improvements (20% County) <b>OR</b> Up to 100% on personal property improvements (40% County), <b>AND</b> up to 50% on new real property improvements (20% County)
Personal Property Improvements		
Job Creation	<b>AND 250+ new jobs</b>	
Exceptional Investment		
Level 3 Project		
Real Property Improvements	Combined \$50 million in either real or personal property improvements	<b>Both:</b> Up to 100% on real property improvements, <b>AND</b> (40% County) Up to 100% on personal property improvements (40% County)
Personal Property Improvements		
Job Creation	<b>AND 500+ new jobs</b>	

### Contact Information:

City of San Antonio, Economic Development Department, (210) 207-8080.

## City of San Antonio Catalog of Incentives

### **Incentive Title:**

Freeport Exemption

### **Incentive Type:**

- ☐ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☒ Tax Incentive
- ☐ Workforce Development/Business Advocacy

### **Description:**

The City of San Antonio, Bexar County and some independent school districts allow personal property tax exemptions for companies that deal with goods-in-transit or inventories used in the manufacturing process. Qualifying participants may qualify for an exemption of up to 100% of personal property taxes on goods-in-transit or inventories used in a manufacturing process and the inventory items are moved out of state within 175 days.

A Constitutional Amendment adopted in 1989 by the State of Texas authorized a type of property tax exemption for items classified as “Freeport Property.” Freeport property includes various types of goods that are detained in Texas for a short period of time (175 days or less). The exemption provides a business incentive that can be used to promote the growth and expansion of businesses, particularly those engaged in logistics and distribution activities.

- Freeport property, by definition, includes goods, wares, merchandise, and certain aircraft and aircraft parts.
- Freeport property does not include oil, natural gas, and other petroleum products.
- Freeport property qualifies for an exemption from *ad valorem* taxation only if it has been detained in the state for 175 days or less for the purpose of assembly, storage, manufacturing, processing, or fabricating.
- To receive the exemption, eligible inventory must be transported to destinations outside of Texas not later than 175 days after the date acquired or imported into Texas.

Some types of companies currently receiving Freeport tax exemptions include automakers, computer manufacturing, beverage producers, warehousing and distribution facilities, and medical supply companies.

### **Eligibility Criteria:**

- Any company locating within Bexar County, which has goods in transit, is eligible for this incentive.
- The goods must be in Texas only for a limited purpose, such as for storage or factory processing.
- Taxable inventories must be moved outside of the State of Texas within 175 days.

### **Contact Information:**

Bexar County Appraisal District (BCAD), Personal Property Department, (210) 242-2468.

## City of San Antonio Catalog of Incentives

### **Incentive Title:**

Tax Relief for Historic Structures

### **Incentive Type:**

- ☐ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☒ Tax Incentive
- ☐ Workforce Development/Business Advocacy

### **Description:**

Historic buildings in need of tax relief to encourage preservation may be granted reductions in assessed value for ad valorem taxation.

### **Program Eligibility Criteria:**

Structure must be a current landmark property registered with the City of San Antonio or a contributing property within a recognized historic district. Owner must demonstrate that improvements equal to at least 50% of the improvement value listed on BCAD will be made to the structure and that such improvements meet historic preservation standards. Prior to the start of proposed work applicant must receive a Certification for the work from the Historic and Design Review COMmission. After completion of the project the applicant will return for verification by the HDRC.

### **Commercial**

A commercial property will have no assessed value for ad valorem taxes for a period of five (5) tax years after verification. After this period, the property shall be reappraised at current market value and assessed at a fifty-percent (50%) rate for an additional five (5) years.

### **Residential**

Homeowners in new historic districts receive a 20% tax exemption on the City portion of their property taxes, for ten (10) years, for owning and living home in the district. Long-time homeowners, those in continued residency during the initial ten (10) years of historic district status, will receive a five (5) year extension of the 20% tax exemption on the City portion of their property taxes. Rental property owners, if they renovate a property and lease at least 40% of the units to low/mod tenants, will pay zero taxes for the City portion of their property tax bill, for ten (10) years. Residential property owners, if they renovate their property, pay zero taxes on the City portion of their property tax bill for the first five (5) years, and 50% of taxes on the City portion for the second five (5) years. Or owners may choose instead to freeze their City taxes for 10 years at the pre-improved value.

### **Contact Information:**

City of San Antonio, Planning Department, Historic Preservation Office, (210) 207-7925.

## City of San Antonio Catalog of Incentives

### **Incentive Title:**

Federal Empowerment Zone Tax Credits

### **Incentive Type:**

- ☐ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☒ Tax Incentive
- ☐ Workforce Development/Business Advocacy

### **Description:**

San Antonio was one of seven cities throughout the country named a Round III Empowerment Zone by the U.S. Department of Housing and Urban Development. This designation will allow businesses to receive tax credits and bond financing to help stimulate job growth, promote economic development and create affordable housing opportunities in targeted areas of the City. In addition, Empowerment Zone designation provides the city priority in funding health, education, and human services to support commercial and neighborhood revitalization efforts.

The basic designated area of the San Antonio Empowerment Zone is bordered by the MK&T Railroad Tracks on the East, Florida Street on the South, Calle Romero on the West and Culebra Road on the North. It also includes three primary Developable Sites which are: (1) the KellyUSA and Brooks Technology and Business Park Developable Site located in the southern sector of San Antonio connected by Military Drive commercial corridor; (2) the Fredericksburg Road Commercial Corridor; and (3) the I-10/I-35 Commercial and Industrial Corridor (map on p. 21).

### **Program Eligibility Criteria:**

To be eligible for Empowerment Zone program benefits, a business must locate in the Empowerment Zone and meet certain minimum capital investment and/or job creation requirements. The following tax credits are available:

#### **Employment Zone Wage Credit**

A business must be located in a Federal Empowerment Zone and hire/retain workers who live and work within the zone in order to receive an Employment Zone Wage Credit. Workers can be full-time or part-time with a substantial portion of work performed within the zone as part of the trade business. Employment Zone Wage Credit is a credit against federal taxes, and can be as much as \$3,000 (20% of the first \$15,000) per employee, per year.

## **City of San Antonio Catalog of Incentives**

### **Work Opportunity Tax Credit**

A business must hire persons from certain disadvantaged groups with high unemployment rate (including urban youths, government assistance recipients, ex-convicts, disadvantaged Vietnam vets, and vocational rehabilitation referrals) in order to obtain a Work Opportunity Tax Credit. The Work Opportunity Tax Credit is for 40% of the first \$6,000 of each worker's first year wages (\$2,400 maximum credit) provided 400 or more hours are worked. If less than 400 hours, but at least 120 hours are worked, the wage percentage drops to 25% for a maximum of \$1,500. A maximum credit of 35% or \$1,050 is eligible for summer youth employees with wages of up to \$3000 during a 90-day period.

### **Welfare-To-Work Tax Credit**

Employers must hire qualified long-term family assistance (AFDC or its successor program) recipients in order to qualify for the Welfare-To-Work Tax Credit. Welfare to Work Credit is equal to 35% for wages up to \$10,000 in the first year, and up to 50% for wages up to \$10,000 in the second year of employment, for a two-year maximum credit of \$8,500 per employee.

### **Contact Information:**

City of San Antonio, Economic Development Department, (210) 207-8031.

## City of San Antonio Catalog of Incentives

### **Incentive Title:**

Federal Empowerment Zone Section 179 Expensing

### **Incentive Type:**

- ☐ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☒ Tax Incentive
- ☐ Workforce Development/Business Advocacy

### **Description:**

A Qualified Business located within a Federal Empowerment Zone (map on p. 21) may qualify for an additional tax deduction of the full cost of qualifying property purchased within that year, under Section 179 of the Internal Revenue Code, up to a certain maximum levels.

### **Program Eligibility Criteria:**

For the increased Section 179 deduction, a corporation, partnership, or sole proprietorship is an enterprise zone business if all the following statements are true for the tax year. Every trade or business of the corporation or partnership is the active conduct of a Qualified Business within an Empowerment Zone (This rule does not apply to a sole proprietorship).

- At least 50% of its total gross income is from the active conduct of a Qualified Business within a zone.
- A substantial part of the use of its tangible property is within a zone.
- A substantial part of its intangible property is used in the active conduct of the business.
- A substantial part of the employees' services are performed within a zone.
- At least 35% of the employees are residents of an empowerment zone. (This rule does not apply to businesses in the DC Zone.)
- Less than 5% of the average of the total unadjusted bases of the property owned by the business is from: 1) nonqualified financial property (generally, debt, stock, partnership interests, options, futures contracts, forward contracts, warrants, notional principal contracts, and annuities) or 2) collectibles not held primarily for sale to customers.

A Qualified Business is generally any trade or business except one that consists primarily of the development or holding of intangibles for sale or license. However, the rental to others of real property located in an empowerment zone is a Qualified Business only if the property is not residential rental property and at least 50% of the gross rental income from the property is from enterprise zone businesses. The rental to others of tangible personal property is a Qualified Business only if at least 50% of the rentals of the property are to enterprise zone businesses or zone residents.

### **Contact Information:**

Internal Revenue Service: 1-800-829-1040



## City of San Antonio Catalog of Incentives

### **Incentive Title:**

Brownfield Tax Incentive

### **Incentive Type:**

- ☐ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☒ Tax Incentive
- ☐ Workforce Development/Business Advocacy

### **Description:**

Allows property owners to deduct certain environmental remediation costs as a business expense rather than capitalizing them as a property improvement.

### **Eligibility Criteria:**

To be eligible for the Brownfields Tax Incentive, properties must be:

- within a 1990 census tract with a poverty rate of 20 percent or more; or
- within a 1990 census tract with a population of less than 2,000, if—
  - (a) more than 75 percent of the tract is zoned for commercial or industrial use, and
  - (b) the tract is next to another census tract(s) with a poverty rate of 20 percent or more; or
- within any federally-designated Empowerment or Enterprise Zone; or
- within a U.S. Environmental Protection Agency (EPA) Brownfields Pilot project area announced before February 1, 1997.

### **Contact Information:**

Internal Revenue Service, Income Tax and Accounting, Branch 5, (202) 622-4950.

## City of San Antonio Catalog of Incentives

### **Incentive Title:**

Foreign Trade Zone (FTZ)

### **Incentive Type:**

- ☐ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☒ Tax Incentive
- ☐ Workforce Development/Business Advocacy

### **Description:**

San Antonio is home to Foreign Trade Zone (FTZ) No. 80 with the designation of ten General Purpose Sites and four SubZones. Businesses can locate at existing sites or apply for designation as a new FTZ SubZone to take advantage of the incentives offered within an FTZ to include: (1) relief from inverted tariffs; (2) duty exemption on re-exports; (3) duty elimination on waste, scrap, and yield loss; and (4) duty deferral until merchandise is imported from the FTZ into the United States. FTZs, therefore, offer businesses a way to mitigate the costs of free trade and allow the United States economy to enjoy relatively greater benefits from its free trade initiatives. Furthermore, FTZs allow commercial merchandise to receive the same customs treatment it would if it were outside the commerce of the United States.

If your company is importing and/or exporting goods or materials, FTZs can significantly cut business costs and improve return-on-investment and cash flow. Domestic and foreign goods can be placed in the FTZ without formal U.S. Customs entry and pay no customs duties or government excise taxes until your final product enters the U.S. market at which point duty is paid on either of the product itself or its component parts, whichever is lower. Merchandise admitted into the FTZ can be stored, assembled, manufactured, salvaged, mixed, processed, manipulated, exhibited, repaired, sampled, relabeled, repackaged, tested or destroyed.

### **Eligibility Criteria:**

To receive FTZ benefits, a company must locate within any of the City's existing ten General Purpose FTZ sites. If our General Purpose sites do not suit your company's needs, the Economic Development Department will help your facility obtain FTZ sub-zone designation.

### **Contact Information:**

City of San Antonio, Economic Development Department, (210) 207-6529.

## City of San Antonio Catalog of Incentives

### **Incentive Title:**

State Enterprise Zone Project Designation

### **Incentive Type:**

- ☐ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☒ Tax Incentive
- ☐ Workforce Development/Business Advocacy

### **Description:**

State Enterprise Zone Project Designation tax incentives to new and expanding businesses in economically distressed areas. The City of San Antonio currently administers four State Enterprise Zones. Companies locating within any of those zones are eligible for designation by the State and City Council as an Enterprise Project. Designated Projects are eligible for State sales & use tax refunds and franchise tax credits based on job creation and capital investment.

### **Eligibility Criteria:**

To qualify, expansion of an existing business must take place within an existing State Enterprise Zone (map on p. 23). Also, 25% of all new hires must be economically disadvantaged or residents of the zone. Project designation must be in place within 90 days of any purchases or new hires to receive benefits from this program. Enterprise Project designation must be approved by City Council and designated by the State of Texas. Federal Empowerment Zones also qualify as State Enterprise Zones.

### **Sales and Use Tax Refunds**

Designated project may qualify for a sales and use tax refund based on \$5,000 per employee for each permanent job up to 250 jobs, created or retained during the five-year designation period. Each project is limited to a maximum refund of \$1.25 million or \$250,000 per year over the five-year period. On taxes paid for labor to remodel, rehabilitate, or construct a structure, purchase of building materials, machinery/equipment, electricity and natural gas purchased and consumed in the normal course of business in the enterprise zone. Refunds may also be made on tangible personal property and taxable services; however, refunds on these items may not be made until September 1, 2003.

### **Franchise Tax Credits**

Designated project may qualify for a franchise tax credit equal to 25% of the total wages and salaries paid by the corporation for a minimum of 10 qualifying jobs during the period upon which the tax is based. The total credit may not exceed 50 percent of the amount of franchise tax due prior to any other applicable tax credits. Equal to 7.5 percent of the qualified capital investment (minimum \$500,000) during the period upon which the tax is based.

### **Contact Information:**

City of San Antonio, Economic Development Department, (210) 207-8080.

## City of San Antonio Catalog of Incentives

### **Incentive Title:**

Defense Economic Readjustment Zone Project Designation

### **Incentive Type:**

- ☐ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☒ Tax Incentive
- ☐ Workforce Development/Business Advocacy

### **Description:**

The City of San Antonio currently administers state-designated Defense Economic Readjustment Zones (map on p. 51). This program is a state initiative to assist communities that have been adversely impacted by Department of Defense downsizing. Companies expanding or locating within a Zone are eligible for designation by the State as a Defense Readjustment Project. Designated projects are eligible for State sales & use tax refunds and franchise tax credits based on job creation and capital investment.

### **Eligibility Criteria:**

Expansion must take place within a Defense Economic Readjustment Zone. Twenty-five percent (25%) of all new hires must be San Antonio residents, economically disadvantaged individuals, or dislocated defense workers. Project designation must be in place within 90 days of any purchases or new hires to receive benefits. Defense Readjustment Project nomination must be approved by City Council and the State of Texas.

### **Sales and Use Tax Refunds:**

Designated project may qualify for a sales and use tax refund based on \$2,500 per employee for each permanent job up to 500 jobs, created or retained during the five-year designation period. Each project is limited to a maximum refund of \$1.25 million or \$250,000 per year over the five-year period on taxes paid for labor to remodel, rehabilitate, or construct a structure, purchase of building materials, machinery/equipment, electricity and natural gas purchased and consumed in the normal course of business and taxable services in the Defense Economic Readjustment Zone.

### **Franchise Tax Credits:**

Designated project may qualify for a franchise tax credit equal to 25% of the total wages and salaries paid by the corporation for a minimum of 10 qualifying jobs during the period upon which the tax is based. The total credit may not exceed 50 percent of the amount of franchise tax due prior to any other applicable tax credits. Also, a franchise tax credit equal to 7.5% of the qualified capital investment (minimum \$500,000) during the period upon which the tax is based. Receipts from services performed in a Readjustment Zone can also be excluded in the determination of gross receipts from business done in the state under Sections 171.103 and 171.1032 of the Texas Tax Code.

### **Contact Information:**

City of San Antonio, Economic Development Department, (210) 207-8080.

**Defense Zones**

- San Antonio Defense Zone
- Kelly Defense Zone

## City of San Antonio Catalog of Incentives

### **Incentive Title:**

Economic Development Briefing Team

### **Incentive Type:**

- ☐ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☒ Workforce Development/Business Advocacy

### **Description:**

The City of San Antonio together with various public service utility companies formed the San Antonio Site Development Briefing Team to provide an overview of the site development process. This team facilitates the process by servicing as the direct, immediate line to key decision-makers that can troubleshoot and resolve problems encountered in the development and permitting process, such as issues related to local subdivision, uniform building, and the uniform fire codes. The team describes the development process, identifies applicable codes and regulations, clarifies code requirements and may comment on conceptual plans or Master Development Plans. This courtesy briefing and conceptual plan review does not replace the Preliminary Plans Service process or the regular Subdivision and Construction processes.

### **Eligibility Criteria:**

Available to businesses locating within the City of San Antonio. Briefings are tailored to the scope of the development, with participation from necessary City departments, public utilities and other applicable agencies.

Businesses requesting Briefing Team services will submit a Data for Briefing Team Evaluation form available at the First Point Business Information Office. A seven (7) day notice is requested.

### **Contact Information:**

City of San Antonio, Economic Development Department, (210) 207-3900.

## City of San Antonio Catalog of Incentives

### **Incentive Title:**

Historically Underutilized Business Zone (HUBZone)

### **Incentive Type:**

- ☐ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☒ Workforce Development/Business Advocacy

### **Description:**

The HUBZone Empowerment Contracting Program is designed to provide federal contracting assistance from the Small Business Administration (SBA) for qualified small business concerns that are located in “historically undertutilized zones”; increase employment opportunities; and stimulate capital investment and empower communities through economic leveraging.

### **Eligibility Criteria:**

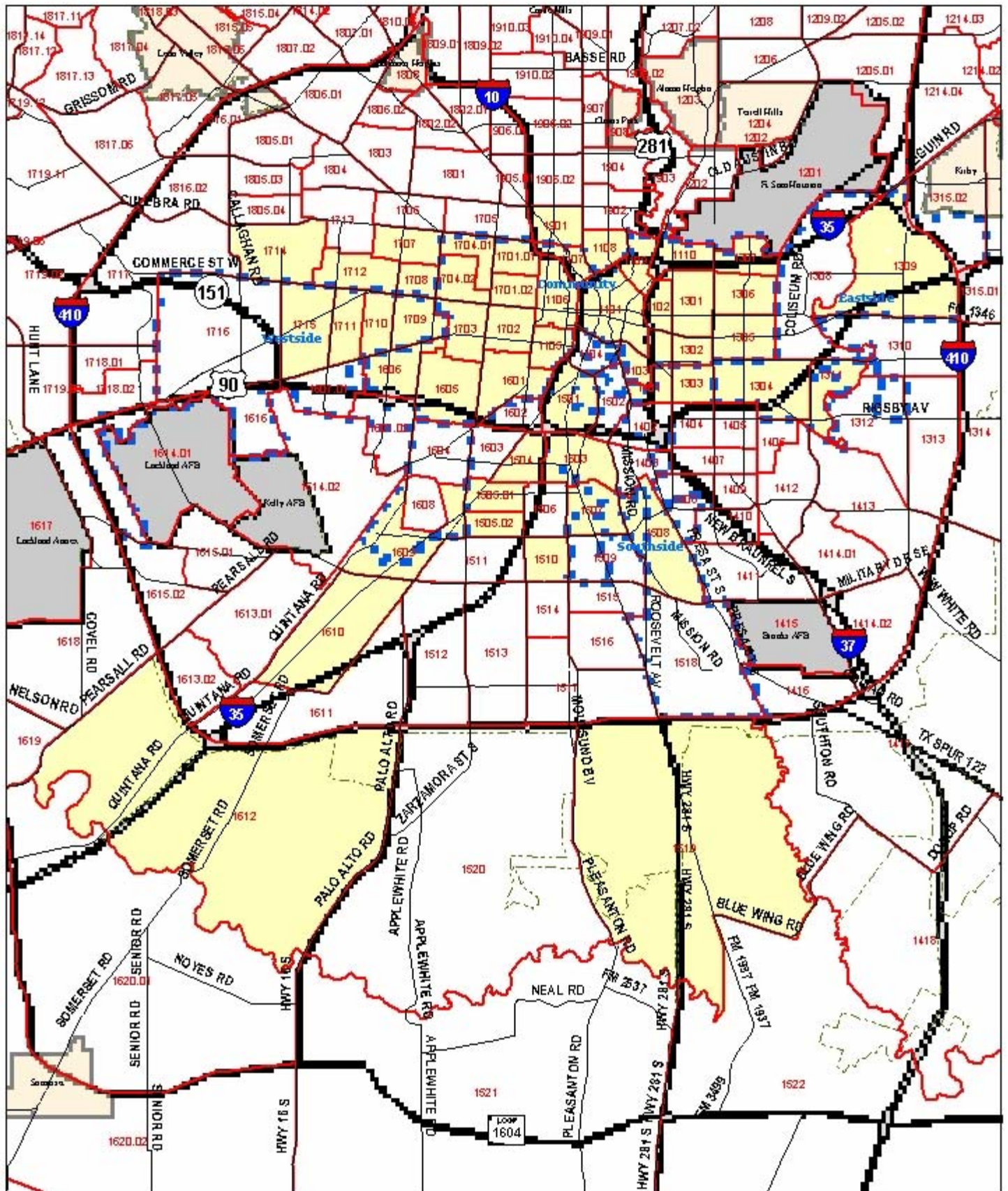
To qualify, small business must be registered with the SBA, be owned and controlled by a U.S. citizen, located within an HUBZone, and at 35% of the business’ employees must reside within a HUBZone.

### **Contact Information:**

City of San Antonio, Economic Development Department, (210) 207-3900.



# HUBZONES



## Legend

- San Antonio City Limits Line
- Hubzone Areas
- Extension Zone
- Case vs. Inact 2000
- Incorporated Cities
- Military Base



CITY OF SAN ANTONIO  
DEPARTMENT OF PLANNING





## City of San Antonio Catalog of Incentives

### **Incentive Title:**

Small Business Economic Development Advocacy Program (SBEDA)

### **Incentive Type:**

- ☐ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☒ Workforce Development/Business Advocacy

### **Description:**

The Small Business Economic Development Advocacy Program (SBEDA) is designed to provide assistance to small, minority, African-American, and women-owned business enterprises (SBE/MBE/AABE/WBE) in contracting with the City of San Antonio.

### **Eligibility Criteria:**

The City may contract with a regional certification agency for certification services. However, if the City does not contract for such services, the following certification requirements shall apply:

- An eligible MBE/WBE/AABE under this program shall be an independent, operating business. The ownership and control by minorities or females shall be real and substantial, and shall be indicated by customary incidents of ownership as demonstrated by an examination of the substance, rather than the form, of ownership and operating arrangements.
- The minority or female owners must possess the power to direct or cause the direction of the management and policies of the firm and to make day-to-day decisions, as well as decisions on matters of management, policy and operations. The firm shall not be subject to any formal or informal restrictions which limit the customary discretion of the minority or female owners. There shall be no restrictions by partnership agreements, charter requirements or other arrangements which prevent the minority or female owners from making business decisions of the firm without the cooperation or vote of any owner who is not minority or female.
- The enterprise must be at least 51 percent (51%) owned by a minority person(s) or female (s).
- A business wishing to be certified as an MBE, WBE or AABE shall cooperate with the City in supplying additional information or agreeing to participate in a site visit of the enterprise which may be requested in order to make a determination. Failure or refusal to cooperate shall result in denial or repeal of certification.

### **Contact Information:**

City of San Antonio, Economic Development Department, (210) 207-3900.

## City of San Antonio Catalog of Incentives

**Incentive Title:**

First Point Business Information Office

**Incentive Type:**

- ☐ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☒ Workforce Development/Business Advocacy

**Description:**

The First Point Business Information Office provides assistance with starting or expanding business in the City of San Antonio. Available services include: 1) guidance through the site development and regulatory process; 2) pre-business counseling; and 3) technical assistance with business and marketing plans.

**Eligibility Criteria:**

Any existing or potential business owner that would like to start or expand business in San Antonio.

**Contact Information:**

City of San Antonio, Economic Development Department, (210) 207-3900.

## City of San Antonio Catalog of Incentives

### **Incentive Title:**

Procurement Technical Assistance Center (PTAC)

### **Incentive Type:**

- ☐ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☒ Workforce Development/Business Advocacy

### **Description:**

The Procurement Technical Assistance Center (PTAC) provides a variety of tools and services that assist local businesses identify government contracting opportunities, develop a workable business plan, and sharpen marketing skills and write winning bid proposals. PTAC clients receive about \$30 million in government contracts annually.

### **Eligibility Criteria:**

Established businesses located within the 12-county Alamo Service Delivery Area and selective contiguous areas are eligible to participate in the program.

### **Contact Information:**

City of San Antonio, Economic Development Department, (210) 207-3900.

## City of San Antonio Catalog of Incentives

**Incentive Title:**

Industry/Customized Workforce Training

**Incentive Type:**

- ☐ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☒ Workforce Development/Business Advocacy

**Description:**

The City of San Antonio has partnered with the Alamo Community College District (ACCD) to offer a variety of vocational or customized workforce training programs for high school students or current employees as an incentive to businesses seeking relocation, retention or expansion of their operations within San Antonio.

**Eligibility Criteria:**

Grants are available based on investment and job creation.

**Contact Information:**

City of San Antonio, Economic Development Department, (210) 207-8080.